LGA Personal Finance / Economics Class

Take Home Test #3 – DUE April 1, 2014

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. \_\_\_\_\_\_ Checking Account a. alternating periods of grown that decline of economy
2. \_\_\_\_\_\_ Savings Account b. a blueprint of how the government will raise & spend money
3. \_\_\_\_\_\_ Loans c. consumption by a person does not prevent consumption by another
4. \_\_\_\_\_\_ Discount Rate d. a general tax levied on consumer purchases of nearly all products
5. \_\_\_\_\_\_ Reserve e. portable objects such as stocks, automobiles, art, jewelry
6. \_\_\_\_\_\_ Monetary Policy f. where GDP goes down for 6 straight months
7. \_\_\_\_\_\_ Fiscal Year g. deducted from a worker’s pay to fund Social Security and Medicare
8. \_\_\_\_\_\_ Tax Return h. when consumed by one individual cannot be consumed by another
9. \_\_\_\_\_\_ Budget i. an economy’s production after distortions are removed
10. \_\_\_\_\_\_ Sales Tax j. sustained increase in the general level of prices
11. \_\_\_\_\_\_ Property Tax k. involves controlling supply of money and credit based on economy
12. \_\_\_\_\_\_ Real Property L. market controlled by a sole provider of a good or service
13. \_\_\_\_\_\_ Personal Property m. earn interest based on how much money deposited
14. \_\_\_\_\_\_ Excise Tax n. laws to control monopoly power and preserve/promote competition
15. \_\_\_\_\_\_ Business Cycle o. % of people in civilian labor force not working but looking for jobs
16. \_\_\_\_\_\_ Payroll Tax p. land and buildings
17. \_\_\_\_\_\_ Monopoly Q. rate that the FED charges member banks for loans
18. \_\_\_\_\_\_ Antitrust Laws r. annual report to govt. that calculates tax worker must pay
19. \_\_\_\_\_\_ Private Goods s. % of a bank’s money they must keep against their deposit
20. \_\_\_\_\_\_ Public Goods t. tax paid on purchase of certain goods (gas, tobacco, alcohol, phone)
21. \_\_\_\_\_\_ Real GDP u. easy access to money using checks or debit card
22. \_\_\_\_\_\_ Recession v. taxes paid on land and houses they own
23. \_\_\_\_\_\_ Inflation w. 12 month period (may not be calendar year)
24. \_\_\_\_\_\_ Unemployment Rate x. principle activity of banks that increases supply of money
25. Banks borrow money from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
26. Civilian labor force includes \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. (2 part answer)

1. What are the three functions of money?

a. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

b. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

c. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a federal corporation that insures individual institutions up to $250,000.
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is nearly half of the federal government’s revenue while \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is about 10 % of its revenue.
3. What are the three types of income taxes:

a. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

b. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

c. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_